value ceiling for monitoring the prices of medicines in the country has been taken without the approval of the Minister;

(b) the details of medicines that have a total sale of Rs. 1 crore per year;

(c) whether it is a fact that ORG does not monitor sales of generic drugs; and

(d) if so, the reaction of Government thereto?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) to (d) The Government, vide a resolution dated 29.8.1997, have constituted the National Pharmaceutical PricingAuthority (NPPA), an independent body of experts with powers, *inter-alia,* to fix prices and notify the changes therein if any, of bulk drugs and formulations, form time to time under the Drugs (Prices Control) Order, 1995 (DPCO, 1995). According to the resolution, the NPPA shall have the power to regulate its own procedure for performing the functions entrusted to it. The procedures and systems for monitoring of the prices of non-Scheduled formulations have been decided in the Authority from time to time. These guidelines are uniformly followed for monitoring the whole Pharma market as per monthly Retail Audit Reports of ORG-IMS Research Pvt. Ltd. Quite a few generic products are covered in the monthly audit.

Loss in Madras Fertilizers Limited

†1811. SHRI RAM JETHMALANI:
SHRI RAJ MOHINDER SINGH:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Madras Fertilizers Limited has begun incurring loss since last year;

(b) if so, the loss incurred by this company till June, 2004;

(c) whether Government have ascertained the causes of the loss; and

†Original notice of the question was received in Hindi.

(d) if so, the details thereof and the steps taken by Government in this regard?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) and (b) Madras Fertilizers Limited (MFL) has provisionally incurred a loss of Rs. 60.02 crore during the year 2003-04. The cumulative loss incurred by the company as on 31.6.2004 is of the order of Rs. 221.92 crore.

(c) and (d) The main causes of loss are constraints in the Urea Prill Tower after revamp, shortage of water, frequent equipment problems, unprecedented drought in Southern states, low sales, high inventory and liquidity crisis resulting into non-procurement of raw materials such as P205 and MOP.

With a view to improve the financial performance of the company, Government has provided budgetary support for undertaking renewals/ replacements of trouble making equipments in the plants. Besides, GOI in July 2002 had written off interest of Rs. 65 crore on Government loans as on 31.3.2002. Again in July 2003, the Government waived interest and penal interest of Rs. 89.23 crore on GOI loans as on 31.3.2003 and reduced rate of interest on the loans to 7% per annum with effect form 1.4.2003. Taking into account the request made by MFL for additional compensation for its products under the New Pricing Scheme for urea and Concession Scheme for NPK fertilizers, the process for formulation of a third and long-term financial restructuring package has also been

initiated for revival of MFL.

Clean coal technology based fertilizer plants

1812. SHRI DIPANKAR MUKHERJEE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether a number of power and fertilizer plants in other countries are running on clean coal technology/coal gassification process;

(b) whether eight such plants are under implementation in China alone;

(c) whether Government are considering implementation of such project in the country,

(d) if so, the details thereof and if not, the reasons therefor;